

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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IN THE MATTER OF: Jonathan S. Nelson and Illinois  
Agricultural and Financial Trading

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) File No. 1300368  
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**ORDER OF PROHIBITION**

TO RESPONDENT: Jonathan S. Nelson  
616 Elgin Avenue  
Forest Park, IL 60130

Illinois Agriculture and Financial Trading  
C/o Jonathan S. Nelson  
616 Elgin Avenue  
Forest Park, IL 60130

WHEREAS, a Temporary Order of Prohibition was previously issued by the Secretary of State which prohibited Respondents Jonathan S. Nelson and Illinois Agriculture and Financial Trading from offering or selling securities in or from the State of Illinois until further order from the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Findings of Fact as follows:

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1. That Respondent Jonathan (hereinafter "Nelson") is an individual whose last known address is 616 Elgin Avenue, Forest Park, IL 60130.
2. That Respondent Jonathan S. Nelson was last registered with the State of Illinois in April of 2002 as a salesperson. He has never been registered as an Investment Advisor Representative. His CRD# is 2612171.
3. That Respondent Illinois Agriculture and Financial Trading (hereinafter "Illinois Agriculture") has never been registered with the State of Illinois as an investor advisor nor as a brokerage.
4. That at all relevant times Respondent Nelson held himself out as the managing member of Illinois Agriculture.
5. That Investor A is an Illinois resident.
6. That Nelson on behalf of Illinois Agriculture entered into an agreement ("Agreement") with Investor A whereby Nelson would trade securities for FBO of Investor A's IRA account ("Account").
7. Investor A caused to be transferred approximately \$154,000 in July of 2012 and an additional \$17,000 in August of 2012 to Options Express the clearing house for the subject transactions.
8. That per the Agreement Nelson would receive a fee of 10% of any increase in account value from the previous month.
9. That Respondent's trading in the Account resulted in substantial losses and by December 31, 2012 the Account had a balance of approximately \$3,900.
10. That Nelson concealed these losses from the Investor A both by providing false and misleading account summaries statements to Investor A as well as not providing statements at all for some months.
11. That Respondent Nelson commingled \$35,000 of Investor A's funds with those of Illinois Agriculture.
12. That Section 12.C of the Act provides that it shall be a violation of the Act to act as a dealer, salesperson, investment adviser, or an investment adviser representative, unless registered as such, where such registration is required, under the provisions of the Act.
13. That Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in conjunction with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.


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14. That Section 12.J(1) of the Act provides that it shall be a violation of the Act for any person acting as an investment adviser, investment adviser representative, or federal covered investment adviser, by any means or instrumentality, directly or indirectly to employ any device, scheme or artifice to defraud any client or prospective client.
15. That Section 12.J(2) of the Act provides that it shall be a violation of the Act for any person when acting as an investment adviser, investment adviser representative, or federal covered investment adviser, by any means or instrumentality, directly or indirectly to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.
16. That By virtue of the foregoing, Respondent has violated Sections 12.C, 12.F, 12.J(1) and 12.J(2) of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents are **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

Dated: This 16<sup>th</sup> day of October 2014.

  
JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
Gregory J. Solberg  
Illinois Securities Department  
69 West Washington Street  
Chicago, Illinois 60602  
312-793-9643

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**NOTICE:** Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.